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**Public Utility Commission of Texas**

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September 18, 2003

Marlene H. Dortch
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Federal Communications Commission
445 12th Street, S.W., Room TW-A306
Washington, D.C. 20554

Irene Flannery
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2120 L Street, N.W., Suite 600
Washington, D.C. 20037

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NOV 12 2003

FCC - MAILROOM

RE: State Certification of Federal High-Cost Support, CC Docket No. 96-45

To the Filing Representatives:

Below is a list of rural and non-rural carriers¹ certified by the Public Utility Commission of Texas (Texas PUC) in accordance with 47 C.F.R. 54.313 and 54.314,² which established an annual state certification process for those rural carriers and competitive eligible telecommunications carriers seeking high-cost support from the federal universal service fund. The Texas PUC certifies that all federal high-cost support³ provided to the following rural and non-rural carriers in this state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with § 254(e) of the Federal Telecommunications Act.

Rural Carriers

1. Alenco Communications, Inc. d/b/a ACI (442090)
2. Big Bend Telephone Company, Inc. (442039)
3. Blossom Telephone Company, Inc. (442038)
4. Border to Border Communications, Inc. (442073)
5. Brazoria Telephone Company (442040)
6. Brazos Telecommunications, Inc. (442041)

¹ This list includes each carrier's study area code assigned by the National Exchange Carriers Association (NECA).

² See Federal Communications Commission's (FCC) *Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking* in CC Docket No. 96-45, and *Report and Order* in CC Docket No. 00-256 (May 23, 2001).

³ This includes high-cost loop support, local switching support, high-cost model support, hold harmless support, and high-cost support received pursuant to the purchase of exchanges.

LEA RODE

7. Brazos Telephone Cooperative, Inc. (442041)
8. Cameron Telephone Company, L.L.C. - Texas (440425)
9. Cap Rock Telephone Cooperative, Inc. (442046)
10. Central Texas Telephone Cooperative, Inc. (442052)
11. CenturyTel of Lake Dallas, Inc. (442101)
12. CenturyTel of Northwest Louisiana, Inc. (270431)
13. CenturyTel of Port Aransas, Inc. (442117)
14. CenturyTel of San Marcos, Inc. (442140)
15. Coleman County Telephone Cooperative, Inc. (442057)
16. Colorado Valley Telephone Cooperative, Inc. (442059)
17. Comanche County Telephone Company, Inc. (442060)
18. Community Telephone Company, Inc. (442061)
19. Cumby Telephone Cooperative, Inc. (ILEC) (442065)
20. Dell Telephone Cooperative, Inc. (442066)
21. Eastex Telephone Cooperative, Inc. (442068)
22. Electra Telephone Company, Inc. (442069)
23. ENMR Telephone Cooperative, Inc. (442262)
24. Etex Telephone Cooperative, Inc. (442070)
25. ETS Telephone Company, Inc. (CLEC) (442091)
26. Five Area Telephone Cooperative, Inc. (442071)
27. Fort Bend Telephone Company (442072)
28. Ganado Telephone Company, Inc. (442076)
29. Grande Communications, Inc. (449015)
30. Guadalupe Valley Telephone Cooperative, Inc. (442083)
31. Hill Country Telephone Cooperative, Inc. (442086)
32. Industry Telephone Company (442093)
33. Kerrville Telephone Company (442097)
34. Lake Livingston Telephone Company (442104)
35. La Ward Telephone Exchange, Inc. (442103)
36. Leaco Rural Telephone Cooperative, Inc. (492264)
37. Lipan Telephone Co., Inc. (442105)
38. Livingston Telephone Company (442107)
39. Mid-Plains Rural Telephone Cooperative, Inc. (442112)
40. Nortex Communications (442116)
41. North Texas Telephone Company, Inc. (442043)
42. Panhandle Telephone Cooperative, Inc. (432016)
43. Peoples Telephone Cooperative, Inc. (442130)
44. Poka Lambro Telephone Cooperative, Inc. (442131)
45. Rivera Telephone Company, Inc. (442134)
46. Santa Rosa Telephone Cooperative, Inc. (CLEC) (449006)
47. Santa Rosa Telephone Cooperative, Inc. (ILEC) (442141)
48. South Plains Telephone Cooperative, Inc. (442143)
49. Southwest Arkansas Telephone Cooperative, Inc. (401724)
50. Southwest Texas Telephone Company (442135)
51. Sugar Land Telephone Company (442147)
52. Tatum Telephone Company, Inc. (442150)
53. Taylor Telephone Cooperative, Inc. (442151)
54. Texas ALLTEL, Inc. (442153)
55. TXU Communications Telephone Company (442109)
56. Valley Telephone Cooperative, Inc. (442159)
57. Valor Telecommunications of Texas, LP (441163)
58. W.T. Services, Inc. (CLEC) (449001)

59. West Plains Telecommunications, Inc. (442071)
60. West Texas Rural Telephone Cooperative, Inc. (442166)
61. Western Wireless Corporation (CMRS) (449003)
62. Wes-Tex Telephone Cooperative, Inc. (442168)
63. XIT Rural Telephone Cooperative, Inc. (442170)
64. XIT Telecommunications & Technology, Inc. (CLEC) (449002)

Non-rural

1. Central Telephone Company of Texas d/b/a Sprint/Centel (442114)
2. Cumby Telephone Cooperative, Inc. (CLEC) (449004)
3. GCEC Technologies, Inc. (CLEC) (449012)
4. nii Communications, Ltd. (CLEC) (449008)
5. Nortex Telecom, L.L.C. (CLEC) (449005)
6. Panhandle Telecommunications, Systems, Inc. (CLEC) (449019)⁴
7. Sage Telecom of Texas, L.P. (CLEC) (449010)
8. United Telephone Company of Texas, Inc. d/b/a Sprint/United (442084)
9. Verizon Southwest TXC (442154)⁵
10. Verizon Southwest TXG (442080)
11. Vycera Communications, Inc. (449021)

If there are any questions regarding this matter, please contact Tina Donahoo in our Policy Development Division, (512) 936-7257.

Respectfully submitted,


Chairman Rebecca Klein


Commissioner Julie C. Parsley


Commissioner Paul Hudson

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⁴ Panhandle Telecommunications Systems, Inc. (PTSI) filed an affidavit on September 9, 2003, certifying that federal universal service funds (USF) will be used in accordance with § 254(c) of the FTA, pending approval of eligible telecommunications carrier (ETC) designation by the Texas PUC. PTSI is scheduled to be designated as an ETC in Docket No. 28316 on September 22, 2003. The certification of PTSI by the Texas PUC for federal USF, in this instant proceeding, is contingent upon PTSI's receipt of ETC designation before the October 1, 2003 deadline. If PTSI does not receive ETC designation before October 1, 2003, the Texas PUC will notify the FCC and USAC of this change, and retract state certification of PTSI for receipt of federal USF. *See Designation of Common Carriers as Eligible Telecommunications Carriers (ETC) to Receive Federal Universal Funds Pursuant to the Federal Communications Commission's Fourteenth Report and Order Adopting a State Certification Process*, Docket No. 24481 (Sept. 9, 2003).

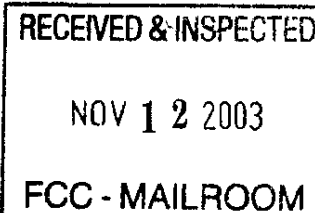
⁵ Verizon Southwest TXC (previously d/b/a Contel), and Verizon Southwest TXG (previously d/b/a GTE) still maintain separate tariffs and rates.



Posted on Mon, Jul. 14, 2003

Billboard Live's marquee man

BY CARA BUCKLEY
cbuckley@herald.com



Miami was not the first spot for Billboard Live, nor the first nightlife venture for Mitchell Chait.

Five months before he inked a lease deal with Constructa to create a Miami Beach club/restaurant/concert venue, Chait's involvement with the first ill-fated Billboard Live club, on Sunset Strip in West Hollywood, Calif., came to a rocky end.

Chait declined to comment for this article.

The entertainment business was a second, even third, career for the entrepreneur, a self-described "contract security engineer" who, according to the bio supplied in Billboardlive's media kit, moved from New York to Las Vegas in 1989, shifting gears to build a fortune distributing fish and fresh produce.

In 1995, Chait reinvented himself as a nightlife impresario and began working with Billboard Entertainment Marketing, which produces the Billboard Music Awards.

A year later, Chait teamed up with a father-and-son team, Jerry and Keith Pressman, to give a decrepit but fabled club on California's Sunset Strip a \$5.5 million makeover and a new name: Billboard Live.

Like its Miami Beach successor, the club was to be the flagship of an international chain of locations. But 20 months after opening, after failing to generate a buzz, the club sputtered to an end. Insiders blamed the club's failure on a weak booking team, but the Pressmans' lay much of the onus on Chait.

"He overspent. He didn't promote it well," said John Kirkland, the Pressmans' lawyer. "Getting rid of Mitch was the only thing that saved that club."

In October 1997, the Pressmans sued Billboard and Chait for breach of contract and fraud, Kirkland said. He said the Billboard Live name did not help the club: the brand did not drive customers in, and musicians expected heftier pay and favorable write-ups in Billboard magazine.

In March 1998, the Pressmans renamed their venue the Key Club and steadily built it into one of L.A.'s most successful clubs, which it remains.

Chait became president and CEO of Billboard Live International. Despite the club's failure on the Sunset Strip, Chait was determined to resurrect the brand. He secured a major loan from Texas rural telecommunications magnet Larry Townes, whose son, Glenn, Chait had befriended, and set his sights on Miami Beach.

A separate company was set up, Billboard Live of Miami, and it leased a space for its club, named Billboardlive.

When asked whether Billboard magazine balked at backing Chait after the L.A. failure, Howard Applebaum, Billboard's vice president of licensing and marketing, said no. Nor is the magazine distancing itself from Chait now that the club is in bankruptcy, according to Applebaum.

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Posted on Mon, Jul. 14, 2003

EDITOR'S NOTE

First-class venue takes a plunge in South Beach

MIMI WHITEFIELD

The man in the larger red circle on today's cover is Mitchell Chait, the president and CEO of Billboard Live International, parent of the South Beach club that was supposed to revitalize South Florida's live music scene. Surrounded by hype, the \$20-million club opened in September 2001. Most of that hype came from Chait, who had been involved in a failed Billboard Live club on the West Coast.

Cara Buckley, The Herald's tourism and entertainment reporter, started to cover the club well before it opened. One of her first columns was about construction delays that had pushed back the opening of Billboardlive. Its original launch date was in the spring of 1999.

Those initial construction delays may have been a harbinger of things to come. Lawsuits, acrimony and a trail of unpaid bills followed.

In today's cover story, Buckley details the chain of events that led the company to file for bankruptcy.

There's no dispute that Billboardlive was a first-class venue. In the yellow circle on the cover, the crowd is still going strong at 5 a.m. during the Winter Music Conference in March 2002.

In the green circle, LL Cool J performs at the club in 2002, and in the smaller red circle, contestants perform at "Born to Diva: The Search for a Superstar." The VH1 contest was held at the club Feb. 21.

But the events became more sporadic -- and the club with the glass catwalk suspended over the stage and waterfall that descended from the second to the first floor could not pay its bills.

"There's been so much talk in the nightlife community about the turnover and problems," said Buckley.

She decided to take a hard look. On Friday, she learned that the club's remaining managers, and the promoters who had hoped to resurrect it, had been locked out.

Is this another Miami tale of an outsider riding into town spinning tales the locals have been all too willing to believe?

Now the question is whether a buyer will rescue the club, or if its rosewood and walnut appointments will be sold off piece by piece.

Mimi Whitefield is the editor of Business Monday.

July 10, 2003: A Miami bankruptcy court orders that a trustee assess the club's financial viability.

July 11, 2003: The trustee changes the club's locks and cancels two weekend events.

Sources: Staff reports; Los Angeles Times, New York Times, Billboard magazine.

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Posted on Mon, Jul. 14, 2003

Billboardlive bust

BY CARA BUCKLEY
cbuckley@herald.com

It was heralded as the crown jewel of club land, the multimillion-dollar venue that could change from nightclub to concert hall to soundstage as effortlessly as a chameleon changes colors.

Its success seemed all but assured.

Its name, Billboardlive, was licensed from Billboard magazine, the music industry's bible. The magazine's peerless connections would funnel in major acts. The venue would house world-class restaurants, and stage television productions, concerts, videos and interviews for telecast worldwide. Franchises would be spawned to rival the Hard Rock Cafe or House of Blues.

At least that is what Mitchell Chait, the club's president, told anyone who would listen. And that is what nearly everyone he gathered around him believed. But on April 28, 20 months after opening, Billboard Live of Miami filed to reorganize under bankruptcy protection. Its landlord had already started fighting for the club's eviction.

But last Thursday, a Miami bankruptcy judge moved the club into Chapter 7 liquidation and ordered that a trustee investigate the financial viability of the club.

A day later, the trustees changed the club's locks and canceled two remaining parties, the landlord's lawyer said.

For all the pitched anticipation that preceded the \$20-million club's launch in September 2001, the club's bankruptcy, and seeming demise, left few in the know surprised.

"Such a great opportunity, a great project, went down the drain because of pure inefficiency," said Rudolf Piper, who booked club nights at the venue until last summer.

In its wake, the venue leaves a trail of lawsuits and a wave of bitterness -- a far cry from the revitalized, local live-music scene and entertainment hub that was promised.

More often the not, the 35,000-square-foot, four-level club sat empty, bereft of the live acts or critical mass needed to keep any club, especially one of that size, alive. One of its restaurants, Breez, was shuttered a few months after the club opened, and the other, Parallel, never saw the light of day.

Nightlife insiders say myriad factors led to the club's apparent demise: It was too expensive; its timing was cursed; it had too many managers yet was mismanaged; it lacked direction; its owners were absentee.

Chait declined to comment for this article.

Still, Billboard magazine supports the venue, and a handful of people, until last week, believed the club

could rise from the ashes. Among the believers was Michael Storms, a DJ and co-owner of another South Beach club, Nerve.

Storms was planning to launch a series of Saturday night parties at the club, but on Friday conceded that the club's lockdown ``wasn't looking good."

Billboardlive's financial hole is deep. The club's list of creditors is 27 pages long, and it is claiming debts of \$23.8 million. The biggest creditor listed is Billboard Live International, the parent company presided over by Chait, which is owed \$20.4 million. The second largest creditor is the venue's landlord, Jefferson Plaza, owed upward of \$457,000. Jefferson Plaza is also demanding post-filing rent of \$375,000.

"They were our anchor tenant. It was important to us that they succeed," said Michael Seese, Jefferson Plaza's lawyer. ``But the fact remains that their business plan never came to fruition. We believe they don't have cash flow. We think the business is over."

MAKING CLUB HISTORY

The skies over Billboardlive were sunnier five years ago, when Chait signed a lease for the abandoned Bancroft Hotel at the northern tip of Ocean Drive in Miami Beach.

Constructa, the firm that built CocoWalk in Coconut Grove, was planning a \$50 million retail complex called Ocean Steps for the space, along with an adjoining condo tower. Billboardlive, part restaurant, part club, part concert venue and, it was promised, permanent crowd magnet, was to comprise Ocean Steps' heart.

"This is not going to be another Planet Hollywood or Hard Rock Cafe," George Giebel, senior vice president of Constructa, told the Herald in 1998. ``What we're trying to do here is create an environment that takes the typical nightlife of South Beach and extends it to another level of entertainment."

Even though the first Billboard Live club, in West Hollywood, Calif., was shuttered five months earlier, Chait professed faith in the new location and convinced investors to do the same.

"I thought Miami and its music scene [were] going to take off in a big way," Chait told Billboard magazine when the club opened in 2001. ``And, interestingly enough, I felt that developing the first studio in Miami would provide the opportunity to expose the brand to South America and Europe and the rest of the U.S."

After signing the lease with Ocean Steps, Chait began assembling what many considered a top-notch team.

He tapped Brian Mullins, who had worked with Planet Hollywood; Peter Cohen, formerly of the Box, a cable music channel; Jed DeFilippis, who had just landed a job as a production manager at the House of Blues in Las Vegas; and Mark Keys, who had worked for a decade with MuchMusic, Canada's equivalent of MTV, and was working with Sony Entertainment in Asia.

Ephraim Kadish, the former star chef of China Grill in Miami Beach, would craft the restaurants, and Piper, who had run some of the most influential New York clubs of the 1980s, among them Tunnel, Palladium and Danceteria, would run the nightclub side.

"This was not a bunch of junior people," said Keys from his home in Toronto. ``These were top-of-the-field guys."

Patrick Loughary, once an executive chef with the Hard Rock Cafe in Las Vegas -- where he was noted for making a mean turkey burger -- was made Chait's right-hand man.

For Piper, who got the job offer while living in Paris, the pitch was irresistible: the chance to fashion the first of an international club chain and collect a six-figure salary. "I was paid -- thousands and thousands a week," said Piper.

WARNING SIGNS?

Although accustomed to the quirks of the nightlife industry, Piper believed Billboardlive's oddities were stranger than most. Plans showed the club lacked both a main entrance -- though it did have a small entryway accessible by an escalator -- and a ticket booth. When Billboardlive sponsored a New Year's Eve concert on the beach, nine months before the club opened, Piper's suggestion that promotional fliers be handed out was swiftly shot down.

"[Chait] told me, 'People will drop fliers on the floor and step on the Billboard name, and can you imagine what that will do to the brand image?'" Piper recalls. "That's when I realized I was in big trouble."

AN ILL-TIMED GEM

In the summer of 2001, after a two-year delay, the club lurched toward completion. By any standard, it was a world-class venue. Its furniture, walls and floors were made of rosewood, walnut, Zebrawood, and wenge wood from Africa. A suspended glass catwalk overlooked the stage. A waterfall formed a curtain of droplets from the second floor to the first. Eighty "intelligent lights" were operated by remote control. Screen panels offering views of the restaurants' kitchen could be transformed into video screens.

"The place is beautiful, magnificent; it's a modern gallery," said Tony Guerra, a one-time nightlife promoter now running for City Commission in Miami Beach.

But the Latin Grammys were abruptly canceled Aug. 21, 2001, taking with them scores of parties planned for the club and, according to the club's one-time publicist, Seth Gordan, \$600,000 worth of business. The venue opened anyway on Sept. 8, 2001, three days before the worst terrorist attacks in American history.

FUZZY DIRECTION

But according to Piper, few parties were canceled after Sept. 11 because few parties had been booked.

Piper, DeFilippis and Keys all contend that they were never given the money necessary to properly launch the venue as a nightclub, a concert venue or a soundstage. They believed their respective jobs were at odds and their power to make decisions was often trumped by Chait or Loughary.

"It seemed a major problem was there was no real direction for the club," said George Morris, an independent promoter. "A lot of people said they were in charge, but nobody was willing to step up to make a yea or nay decisions."

Promoter Joe Granda said he felt there was "a tug of war going on" at the club. Chait would OK an event Granda had proposed, he said, but local managers did not follow their boss' instructions.

In the first few months, the venue's successes, such as concerts by Jay-Z and The Strokes, were sporadic, and the nightclub side failed to attract a steady stream of locals.

"This is a tough business we're in," said Gerry Kelly, manager of the South Beach nightclub Level. "One very important success in nightclubs is timing. Their timing was not good. They were up against big competition from day one with established clubs: crobar, Level, Opium Garden, which are run by three

power groups on the beach."

HILLS OF BILLS

Billboardlive also had tremendous overhead. Its rent was \$125,000 a month, nearly four times the rent paid by two of its South Beach competitors: Level, a 44,000-square-foot club, and the 18,000-square-foot club crobar.

Bills began to pile up. Piper had to spring for the printing and mailing of the opening party's invitations, leaving him \$4,000 out of pocket. Local promoters who booked their events in the club found they often had to fight to get their money.

"It took me months and months to get paid in full," said Duncan Ross, a local promoter.

Calls from distraught vendors became so frequent that Piper drew up a reference list of stock responses for Billboard's employees. Piper titled his list "musical checks" and posted it on the wall in Billboardlive's office. Among the suggested responses:

- ``The check is in the mail."
- ``The invoices have gone to Las Vegas for approval and seem to have been misplaced."
- ``When did you work here?"
- ``We are in a transitional period without an accounting department because of 9/11."

Between October 2001 and its bankruptcy filing, 21 lawsuits were filed against Billboard Live of Miami. Most were for unpaid bills, some in the six figures. A few were settled, others are in limbo due to the bankruptcy filing.

Marcello Pizarro, a North Hollywood, Calif., designer who crafted the venue's custom-made furniture, bars and stage, said he is owed \$200,000, an amount that almost ruined him.

"Three-quarters of that money is owed to others," said Pizarro, who is suing Billboard Live International. ``I've been sued by many people. I've lost tremendous accounts. I'm still in business, but I'm in very bad shape."

Whitney Belker, a consultant brought on to sell Billboardlive licensing worldwide, once spent half an hour chasing Chait through the club, trying to get him to sign a contract that guaranteed her commission. Chait repeatedly darted into the bathroom or a back room or to another floor, she said. Belker finally tracked him down in the club's fourth-floor office, but when she flung open the door, he was gone.

He had disappeared down the fire escape, she said.

"I tried to be faithful and loyal as long as I could," said Belker. ``But the guy was sailing the Titanic."

NUMEROUS OBSTACLES

Some suggest Billboardlive's location did it a disservice. It sits at a slow end of Ocean Drive and is difficult to access by car. Its sign is unobtrusive. It is unclear from the outside what the venue is.

"I think one of the main things that killed it was parking," said Jerry Powers, publisher of Ocean Drive magazine, which threw a party at the venue. ``It's a tough end of Ocean Drive. Nothing works there. Period."

Inside the club, staff turnover began to pick up steam. Kadish, the chef, and Cohen left within months of the club's opening. In the summer of 2002, the remainder of the original team was purged, including Piper, Keys and DeFilippis.

Nightlife insiders also suggest the lack of a local face hastened the venue's demise. South Beach club owners often note their nightly presence is vital to their venues' success. But Chait rarely surfaced at Billboardlive and kept his home in Las Vegas, flying into Miami once or twice a week. He became known for scheduling and then skipping staff meetings. Belker said he even stood up potential licensors; the club's lackluster performance in Miami, she said, further discouraged many would-be franchisees.

"The clubs that do well in South Beach draw people, the locals, the VIPS who go to be with the owners," said Seth Browarnik, a society photographer. ``They're not considered the president as Mitch Chait was. The club was too corporate. It was like the Disneyland of clubs."

A LOCAL FACE REDDENS

In January of 2002, Chait attempted to put a local face on his venue by bringing in a powerhouse South Beach team. He tapped Guerra, then a successful promoter with The Forge; Guerra's brother Emi, who was working at the nightclub Space; Leo Nuñez, who ran the old Warsaw Ballroom; and promoter Carlos Perez.

Guerra and his partners invested \$600,000 in the club with the understanding that they would manage the venue. The bulk of the money came from Perez, who signed a confidentiality agreement with Chait.

The team pushed to make Billboardlive more of a nightclub and threw several successful parties, including a fte for Playboy TV and Charter Communications. But, Guerra said, Chait was reluctant to relinquish any control of his club.

Concerts were planned that left Guerra mystified and embarrassed, including a poorly attended .38 Special show on the eve of Miami's dance-music conference. Guerra said the aged rockers were paid \$17,000 to perform, even though they played a free show at Gulfstream Park days earlier.

Guerra's promoters were also not getting paid, and he feared he was losing face with locals, his bread and butter. He walked out after three months.

"They took our money to pay their debts," said Guerra. ``Mitch is a good guy, but when people lose millions and millions of dollars, they change. That's life threatening money."

ANGER EVERYWHERE

Problems with Billboardlive's neighbors were also mounting. Condo owners at 1500 Ocean Drive repeatedly complained that the club was improperly soundproofed and that its second-floor terrace doors were left open, allowing noisy crowds to mill outside. The building's condo association filed suit against the landlord, Jefferson Plaza, and Billboardlive last December, demanding that the noise problem be resolved.

Billboardlive's troubles with its landlord became more pitched. In November 2001, Jefferson Plaza fired off a letter to its tenant demanding overdue rent. The landlord's lawyer, Michael Seese, said it was the first of many. "They were late paying their rent almost every month," Seese said.

On March 31, 2003, after amassing \$457,738 in unpaid rent, the landlord began to fight for the club's eviction.

A circuit court judge ordered Billboard Live to put \$500,000 toward the rent in a court registry by April 28, and the company filed for Chapter 11 protection in Reno. The case has since been moved to Miami.

Billboard Live claimed that the landlord was responsible for the building's soundproofing and that the building's noise emissions were limiting its ability to host events. Billboard Live is also contesting the building's lease and its rent.

"The dispute with the landlord has impacted the ability to use the facility as intended," one of Chait's lawyers, Greg Garman, said.

Jefferson Plaza's lawyer insists that his clients were not responsible for soundproofing and, moreover, that they never interfered with Billboardlive's operations.

Last Thursday, Garman offered to dismiss the club's bankruptcy filing and hand the property over to the landlord. "This debtor has literally no money," Garman told a Miami court.

Seese, Jefferson Plaza's lawyer, feared a dismissal would enable Billboard Live International to access removable assets, like furniture, in the club, ahead of its creditors because, Seese said, the parent company has a mortgage lien on the property.

A Miami bankruptcy judge, A. Jay Cristol, ordered a trustee to gauge Billboardlive's financial viability. In a few weeks, the trustee will report whether the bankruptcy ought to be dismissed, whether the club has the money to operate under Chapter 11 or whether its assets ought to be liquidated under Chapter 7, with the monies given to creditors.

But on Friday, the trustees changed the club's locks.

"Once you stick your head in the mouth of the lion, you can't take it out," Cristol said.

FUTURE UNCERTAIN

For all the turmoil at the club, Billboard magazine says it is standing behind Chait.

"Billboard has been apprised of the challenges for Billboardlive and has tried to provide support," Applebaum wrote in an e-mail. ``Billboard are (sic) hopeful that Billboardlive will resolve their issues and successfully reorganize."

Meanwhile, many of the people who tried to build Billboardlive are still licking their wounds. DeFilippis is in Las Vegas, trying to rebuild his career. Keys is doing the same in Toronto, as is Pizarro in California. Kadish opened a catering consulting business. "It's a shame how many people got hurt," he said.

Belker, however, insists she "learned a lot" and went on to open two consulting companies.

Piper moved to another South Beach nightclub, Nerve.

"Immediately after I left, I had a lot of negative feelings," said Piper. `` But now I view the whole thing was a complete comedy of errors, a gigantic farce."

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Posted on Mon, Jul. 14, 2003

Timeline

Aug. 4, 1996: Billboard Live nightclub opens on the Sunset Strip in West Hollywood, Calif. Tony Bennett and the Gin Blossoms perform. Owners are Jerry and Keith Pressman. Mitchell Chait is a consultant.

June 26, 1997: The New York Times reports plans for a Billboard Live to be opened in the then-77-year-old Times Square Theater on 42nd Street. The deal does not close.

October 1997: The Pressmans sue B.L. International, or Billboard Live International, and Chait, claiming breach of contract and fraud.

March 1998: The Pressmans rename their venue the Key Club.

Aug. 8, 1998: Billboard magazine announces that a Billboard Live club will open on Miami Beach's Ocean Drive by March 1999. Chait is president and CEO of Billboard Live International.

Sept. 8, 2001: After \$20 million is spent on build-outs and renovations, Billboardlive Miami opens. Celia Cruz and Blu Cantrell perform.

Fall 2001: Ephraim Kadish, the chef for the club's restaurant, Breez, and Peter Cohen, senior executive vice president of media, leave Billboardlive. Cohen sues Chait

November 2001: Billboardlive's landlord, Jefferson Plaza, sends its first letter to the club demanding overdue rent. "There were defaults almost every month," said Jefferson Plaza's lawyer, Michael Seese.

Fall 2001: Ephraim Kadish, the chef for the club's restaurant, Breez, and Peter Cohen, senior executive vice president of media, leave Billboardlive. Cohen sues Chait

January 2002: Local nightlife impresario Tony Guerra and three partners are brought in to drum up business. The group invests roughly \$600,000.

April 2002: Guerra walks out, angered that his promoters are not getting paid.

Summer 2002: Rudolf Piper, the venue's director of nightclubs, Jed DeFilippis, the club's vice president of studio operations and talent, and Mark Keys, director and producer of content, all leave the club.

Dec. 16, 2002: 1500 Ocean Drive Condo Association sues Jefferson Plaza.

March 31, 2003: Citing \$457,738 in overdue rent, Jefferson Plaza petitions for the club's eviction.

April 28, 2003. Billboardlive files for bankruptcy protection, claiming the landlord interfered with its operations.

July 10, 2003: A Miami bankruptcy court orders that a trustee assess the club's financial viability.

July 11, 2003: The trustee changes the club's locks and cancels two weekend events.

Sources: Staff reports; Los Angeles Times, New York Times, Billboard magazine.

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